

Message Text

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UNCLAS SECTION 1 OF 7 SEOUL 2186

E.O. 11652: N/A
TAGS: BEXP, KS
SUBJECT: FY 1979 COUNTRY COMMERCIAL PROGRAM; DETAILED PROPOSALS
FOR KOREA

REF: (A) SEOUL 1783, (B) STATE 062483, (C) STATE 025798,
(D) STATE 000118 AND PREVIOUS

POST'S DETAILED PROPOSALS FOR FY-1979 CCP ARE AS FOLLOWS:

1. SECTION I. OVERVIEW. (ROUGH SKETCH, TO BE COMPLETED IN MAY/JUNE, AS PER REFTEL D): 1977 WAS ANOTHER YEAR OF STRONG ECONOMIC GROWTH FOR KOREA, WITH AN ESTIMATED INCREASE IN GNP OF 10.3 PER CENT. INDUSTRIAL PRODUCTION ROSE 14.1 PER CENT, WITH EMPHASIS ON HEAVY AND CHEMICAL INDUSTRIES. FOREIGN EXCHANGE RESERVES INCREASED BY \$1.3 BILLION TO RECORD HIGH OF \$4.3 BILLION. OUTLOOK FOR 1978 APPEARS GENERALLY FAVORABLE, WITH GNP GROWTH TARGETED AT BETWEEN 10 AND 11 PER CENT. YEN REVALUATION SHOULD MAKE U.S. EXPORTS MORE COMPETITIVE WITH THOSE OF KOREA'S PRINCIPAL SUPPLIER, JAPAN. ECONOMIC GROWTH IS KEYED TO EXPORT GROWTH, WITH RESULTANT CONTINUED DEMAND FOR NEW TECHNOLOGY AND ADVANCED PRODUCTION EQUIPMENT TO MAINTAIN EXPORT QUALITY AND COMPETITIVENESS. PRINCIPAL COMMERCIAL OBJECTIVES REMAIN APPROXIMATELY SAME AS IN FY 78 CCP. IN SUPPORT OF THESE OBJECTIVES, PRIORITY EMPHASIS WILL BE GIVEN TO ASSISTING TRADE PROMOTION EVENTS, INCREASING U.S. PARTICIPATION
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IN MAJOR KOREAN PROJECTS, MARKET RESEARCH, BUSINESS SERVICES,
AND PROMOTING SALES OF GOODS AND EQUIPMENT COVERED BY CAMPAIGNS.

2. CAMPAIGNS:

CAMPAIGN NUMBER 1 PRIORITY RANK 1

CAMPAIGN TITLE: METALWORKING AND FINISHING MACHINERY

CAMPAIGN MANAGER: GEORGE KACHMAR

OBJECTIVE AND RATIONALE: AS PLANS TO BROADEN THE COUNTRY'S INDUSTRIAL BASE ARE IMPLEMENTED, THE MARKET FOR METALWORKING AND FINISHING EQUIPMENT SHOULD PROVE PARTICULARLY ACTIVE. THE ROK GOVERNMENT IS TO PROVIDE STEPPED-UP SUPPORT FOR THE DEVELOPMENT OF HEAVY AND CHEMICAL INDUSTRIES DURING THE CURRENT FIVE-YEAR ECONOMIC DEVELOPMENT PLAN PERIOD (1977-1981). A MACHINERY INDUSTRY DEVELOPMENT PROGRAM, WITHIN THE FRAMEWORK OF THE PLAN, FEATURES AN ESTIMATED TOTAL INVESTMENT OF \$1.39 BILLION. THERE IS AN AGGRESSIVE PLAN TO BOOST MACHINERY EXPORTS TO \$1.415 BILLION ANNUALLY BY 1981. INCENTIVES PROVIDED TO INDUSTRIES SUCH AS INDUSTRIAL MACHINERY, SHIPBUILDING, IRON AND STEEL, AND AUTOMOTIVE MANUFACTURE, ARE EXPECTED TO BROADEN SUBSTANTIALLY THE LOCAL DEMAND FOR ALL CATEGORIES OF METALWORKING AND FINISHING EQUIPMENT, PARTICULARLY TECHNOLOGICALLY ADVANCED AND HIGH-PRECISION MACHINES. COMPANIES ARE VERY LIKELY TO TAKE ADVANTAGE OF FINANCIAL INCENTIVES OFFERED BY THE GOVERNMENT TO RETOOL AND EXPAND. ALTHOUGH EFFORTS ARE UNDER WAY TO ESTABLISH SIGNIFICANT MACHINE TOOL PRODUCTION CAPACITY, THE PLANS CONCEDE SUBSTANTIAL IMPORT REQUIREMENTS THROUGH 1981. AMERICAN-MADE MACHINE TOOLS ENJOY A GOOD REPUTATION HERE FOR QUALITY, DURABILITY AND PRECISION. HOWEVER, THE U.S. HAS NOT ACHIEVED ITS POTENTIAL IN THE KOREAN MARKET, UNCLASSIFIED

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ANH AN INTENSIFIED CAMPAIGN OF PROMOTION SHOULD BE MAINTAINED. U.S. SELLERS CAN ACHIEVE INCREMENTAL SALES ONLY BY INCREASING LOCAL AWARENESS OF THE TYPES AND SOURCES OF AMERICAN MACHINERY THROUGH PRODUCT ADVERTISING, SALES VISITS EXHIBITIONS, BETTER SUPPLIER-IMPORTER COMMUNICATIONS, AND OFFERING COMPETITIVE PRICES, DELIVERY TERMS AND FINANCING. THE CAMPAIGN FOR 1979 WILL CONTINUE THE MOMENTUM OF THE PAST TWO YEARS. IT WILL BE AT PEAK INTENSITY IN THE FIRST TWO QUARTERS PREPARING FOR AND FOLLOWING UP ON THE SOLO EXHIBITION.

CAMPAIGN ACTIONS: CUMULATIVE MILESTONES

DEC	MAR	JUN	SEPT
31	31	30	30

1. PLAN, RECRUIT, AND STAGE 1 2 3 4
4 BSP'S AT THE SEOUL
TRADE CENTER, USIS/PUSAN,
OR THE CHANGWON
INDUSTRIAL COMPLEX

2. OBTAIN AND REPORT 10 3 6 9 10

TRADE OPPORTUNITIES

3. MAKE 30 PERSONAL CALLS 20 30
IN SUPPORT OF JANUARY
1979 U.S. SOLO EVENT

4. DEVELOP 100 SALES LEADS 35 70 90 100
FOR U.S. COMPANIES

5. VISIT 20 FACTORIES TO 10 15 20
PROMOTE U.S. SOLO EVENT
AND T.O. PROGRAM

CAMPAIGN NUMBER 2 PRIORITY RANK 4
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CAMPAIGN TITLE: CONSTRUCTION AND MATERIALS HANDLING EQUIPMENT

CAMPAIGN MANAGER: JOHN M. GREGORY

OBJECTIVE AND RATIONALE: EXPANSION AND DEVELOPMENT IN THE
FIELDS OF WATER RESOURCES, COAL MINING AND PORT AND CARGO
HANDLING FACILITIES, SET AS NATIONAL GOALS UNDER THE CURRENT
FIVE YEAR PLAN, WILL CONTINUE TO OFFER U.S. SUPPLIERS A
BROAD RANGE OF OPPORTUNITIES INTO THE 1980'S. IN ADDITION
KOREAN SUCCESS AND FURTHER EXPANSION INTO THE VAST FIELD
OF CONSTRUCTION IN THE OIL-RICH MIDDLE EAST, AND ELSEWHERE
IN THE DEVELOPING WORLD, OFFERS GROWING OPPORTUNITIES FOR
US EQUIPMENT SUPPLIERS. AT PRESENT MORE THAN 55 KOREAN
FIRMS ARE WORKING IN THE OVERSEAS CONSTRUCTION SECTOR AND
"EXPORTS" FOR THIS AREA ARE TARGETED AT \$4 BILLION FOR 1978,
UP FROM \$3 BILLION IN 1977, WITH PROSPECTS FOR FURTHER LARGE
INCREASES IN FUTURE YEARS (ROK EXPECTS TO MEET ITS FORECAST
OF US\$10 BILLION BY 1981). OUR OBJECTIVE IN THIS CAMPAIGN
SHOULD BE TO TAKE ADVANTAGE FOR US SUPPLIERS OF THE INCREASING
REQUIREMENTS FOR CONSTRUCTION, EARTH MOVING AND MATERIALS
HANDLING EQUIPMENT OF THE KOREAN FIRMS ENGAGED IN THIS IMPORTANT
SECTOR.

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CUMULATIVE MILESTONES
CAMPAIGN ACTIONS DEC MAR JUN SEP
31 31 30 30

1. RECRUIT AND STAGE 2 HEAVY 1 2
EQUIPMENT BSP'S AT THE
USTC USING THE EMBASSY
PARKING AREA FOR DISPLAY OF
ALREADY SOLD U.S. HEAVY
EQUIPMENT WHICH MAY BE
IMPORTED INTO KOREA.
2. STAGE A BSP OF A COMPLETE 1
RANGE OF US PLUMBING AND
BUILDING HARDWARE OF THE
KIND NOW BEING PURCHASED
IN NEW YORK FOR DELIVERY
IN THE MID-EAST.
3. MAKE 12 INDUSTRY CALLS IN 3 6 9 12
SUPPORT OF TRADE PROMOTION
PROGRAMS.
4. OBTAIN 50 SALES LEADS FOR 15 30 40 50
U.S. EXPORTERS

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CAMPAIGN NUMBER 3 PRIORITY RANK 6

CAMPAIGN TITLE: ENERGYSYSTEMS EQUIPMENT, TECHNOLOGY TRANSFER,
ENGINEERING AND CONSTRUCTION SERVICES

CAMPAIGN MANAGER: RICHARD LAWLESS

OBJECTIVE AND RATIONALE: THE GOVERNMENT-OWNED NATIONAL
UTILITY, WITH THE INVOLVEMENT OF KOREAN PRIVATE SECTOR
CONTRACTORS, PLANS TO CONSTRUCT 23 NEW POWER GENERATING

STATIONS BY 1981, TO INCREASE ITS TOTAL GENERATING CAPACITY TO 10,427 MW FROM THE PRESENT 4,810 MW. THIS WILL REQUIRE A TOTAL INVESTMENT OF \$3.2 BILLION, INCLUDING \$1.9 BILLION IN FOREIGN FUNDS. IT ALSO PLANS TO CONSTRUCT 21 ADDITIONAL POWER STATIONS, TO INCREASE THE NATION'S TOTAL CAPACITY TO 19,040 MW BY 1986. THE DEMAND FOR ALL ELEMENTS OF THE POWER PRODUCTION AND DISTRIBUTION SYSTEM WILL INCREASE ACCORDINGLY AND, WHILE DOMESTIC SUPPLIERS WILL TAKE AN INCREASING SHARE OF THE MARKET, IMPORTS WILL CONTINUE IN THE NEAR TO MIDDLE TERM TO DOMINATE THE MARKET FOR POWER GENERATION EQUIPMENT. AMPLE OPPORTUNITIES EXIST FOR U.S. FIRMS TO FURNISH HIGH-QUALITY, LARGE-SCALE EQUIPMENT SUCH AS NUCLEAR POWER PLANTS AND COMPONENTS, FOSSIL FUEL FACILITIES AND TIDAL AND PUMPED-STORAGE TURBINELGENERATORS AND PUMPS. EXCELLENT OPPORTUNITIES ALSO EXIST FOR THE DIRECT PARTICIPATION IN THESE PROJECTS OF U.S. ENGINEERING AND CONSULTANT FIRMS AND FOR THE CONTINUED INVOLVEMENT AND FOLLOW-UP SALE OF U.S. TECHNOLOGY AND COMPONENTS ON THE BASIS OF LICENSING RELATIONSHIPS WITH KOREAN MANUFACTURERS. THE EMBASSY'S ROLE IN THIS PROCESS OF INTRODUCING U.S. FIRMS TO POTENTIAL END-USERS CAN BE CRUCIAL TO THE PARTICIPATION OF U.S. FIRMS IN SPECIFIC PROJECTS, JUST AS THE FULL PARTICIPATION OF U.S. FIRMS WITHIN THE COMPONENTS MANUFACTURING SECTOR CAN BE CRUCIAL TO THE LONG-TERM POSITION OF U.S.

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INDUSTRY IN THIS CAPITAL-INTENSIVE FIELD.

CAMPAIGN ACTIONS: CUMULATIVE MILESTONES

DEC	MAR	JUN	SEP
31	31	30	30

1. IDENTIFY AT THE EARLIEST 4 8 12 16

POSSIBLE DATE ENERGY SYSTEM
PROJECT OPPORTUNITIES,
ESTABLISH THE RELATIVE
PRIORITY OF ENERGY PROJECTS
AND RELATE SPECIFIC EQUIPMENT
OR SERVICE OPPORTUNITIES TO
INTERESTED U.S. SUPPLIERS
VIA ESTABLISHED REPORTING
CHANNELS. MAJOR PROJECT
REPORTING, UPDATES AND
DIRECT CONTACT.

2. MONITOR AND REPORT ON 4 8 12 16

KOREAN INDUSTRY PLANS TO
INDUCE FOREIGN MANUFACTURING
AND ENGINEERING TECHNOLOGY
WITH THE OBJECTIVE OF ASSIST-

ING U.S. VENDORS IN SECURING
TECHNICAL LICENSING AGREE-
MENTS; WTDR AND LICENSING
OPPORTUNITY REPORTS.

3. EXPAND WORKING DIALOG WITH 4 8 12 16
POTENTIAL ENERGY SYSTEM
CUSTOMERS WITH DIRECT CALLS
AND EQUIPMENT SEMINARS TO
FULLY DISPLAY COMPLETE
RANGE OF U.S. EQUIPMENT
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AND SERVICES.

4. ORGANIZE TECHNICAL 1 2
SEMINARS ON ENERGY SYSTEMS
AT THE TRADE CENTER IN
COOPERATION WITH U.S. FIRMS.

CAMPAIGN NUMBER 4 PRIORITY RANK 7

CAMPAIGN TITLE: PROCESS CONTROL EQUIPMENT AND INSTRUMENTATION

CAMPAIGN MANAGER: THOMAS C. STAVE

OBJECTIVE AND RATIONALE: KOREA'S HEAVY AND CHEMICAL INDUSTRIES
DEVELOPMENT PLAN AND THE FOURTH FIVE-YEAR ECONOMIC DEVELOPMENT
PLAN EMPHASIZE INCREASED CAPACITY IN IRON AND STEEL,
PETROCHEMICALS, MACHINERY, SHIPBUILDING, ELECTRONICS AND NON-
FERROUS METALS. A TOTAL OF APPROXIMATELY \$608.7 MILLION OR
66.7 PERCENT OF THE TOTAL INVESTMENT PLANNED FOR THE
MANUFACTURING INDUSTRIES, WILL BE FUNNELED INTO THE DEVELOPMENT
OF HEAVY AND CHEMICAL INDUSTRIES DURING THE FIVE YEAR PLAN PERIOD.
NUMEROUS PROJECTS ENVISAGED FOR IRON AND STEEL, BASIC CHEMICALS
AND PETROCHEMICALS, ETC., AUGUR PARTICULARLY WELL FOR U.S.
PROCESS CONTROL INSTRUMENTATION. IN LARGE PART, THEIR SUCCESS
WILL DEPEND ON THE EFFORTS AND ABILITY OF AMERICAN SUPPLIERS
TO IDENTIFY TRADE OPPORTUNITIES AND MAJOR PROJECTS AT EARLY
STAGES OF DEVELOPMENT AND THEN FOLLOWING THROUGH WITH SALES
CAMPAIGNS. U.S. FIRMS ARE ACKNOWLEDGED IN KOREA TO BE THE
LEADERS IN INSTRUMENTATION TECHNOLOGY, AND PROMOTION THROUGH
TECHNICAL SEMINARS AND PRODUCT DISPLAY WOULD DO MUCH TO CREATE
DEMAND FOR NEW HIGH TECHNOLOGY U.S. EQUIPMENT, AS KOREAN FIRMS
IN MANY CASES ARE RELATIVELY UNINFORMED ABOUT WHAT U.S.
PROCESS CONTROL INSTRUMENTATION CAN DO FOR THEM.

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CAMPAIGN ACTIONS: CUMULATIVE MILESTONES

DEC MAR JUN SEP
31 31 30 30

1. ORGANIZE AND STAGE 3 1 2 3

LOCALLY RECRUITED SINGLE
CMMpany PRODUCT EXHIBITIONS
AND/OR SALES SEMINARS AT
THE TRAEe CENTER IN SUPPORT
OF SALES OF PROCESS CONTROL
EQUIPMENT AND INSTRUMENTATION.

2. VISIT 8 LARGE FIRMS OR 2 4 6 8

OTHER LIKELY PURCHASERS
OF PROCESS CONTROL EQUIPMENT.

3. IDENTIFY AND REPORT 12 3 6 9 12

TRADE OPPORTUNITIES

4. OBTAIN 100 SALES LEADS 25 50 75 100

AS A RESULT OF THE ABOVE
PROMOTIONAL EFFORTS.

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CAMPAIGN NUMBER 5 PRIORITY RANK 9

CAMPAIGN TITLE: COMPUTERS AND PERIPHERAL EQUIPMENT

CAMPAIGN MANAGER: ROGER C. NOTTINGHAM

OBJECTIVES AND RATIONALE: THE MINISTRY OF GOVERNMENT ADMINISTRATION CONTINUTS TO MOVE FORWARD WITH ITS MASTER PLAN FOR THE INSTALLATION OF COMPUTER TERMINALS IN EACH OF THE 1800 TOWNSHIPS THROUGHOUT KOREA. THERE ARE AT PRESENT TERMINALS IN EACH PROVINCIAL CAPITAL CAPABLE OF COMMUNICATING WITH A CENTRAL COMPUTER IN SEOUL ALTHOUGH NOT SIMULTANEOUSLY. AS THE COUNTRY CONTINUES ITS RAPID ECONOMIC DEVELOPMENT, THE NEED FOR SOPHISTICATED DATA MANAGEMENT SYSTEMS WILL ALSO GROW. THE EXPORT-LED EXPANSION OF BUSINESS TOGETHER WITH INCRTASED IMPORTATION OF FOREIGN TECHNOLOGY INCREASES THE NEED FOR ACCURATE RECORD-KEEPING AND RAPID RETRIEVAL SPEED. BUSINESS AND GOVERNMENT OFFICIALS ARE BECOMING AWARE OF THE LONG-TERM ADVANTAGES OF TECHNOLOGICAL RECORD-KEEPING AND DATA PROCESSING COMPARED TO THE COSTS OF PERFORMING THE SAME TASKS MANUALLY. IT IS ESTIMATED THAT THE NUMBER OF COMPUTERS WILL INCREASE FROM THE PRESENT 175 OR SO TO ABOUT 1000 IN 1981 AND THE VALUE OF IMPORTS WILL GROW FROM \$29 MILLION TO MORE THAN \$50 MILLION IN THE SAME PERIOD. SEVERAL ROKG AGENCIES AND THE LARGER BUSINESS FIRMS HAVE INSTALLED ELECTRONIC DATA PROCESSING SYSTEMS AND MORE WILL FOLLOW. INCREASED PRIVATE

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SECTOR DEMAND FOR EDP AND PROCESS CONTROL APPLICATIONS MAY BE EXPECTED IN THE STEEL, TEXTILE, AND PETROCHEMICAL INDUSTRIES AND WITH BANKING, EDUCATIONAL, AND RESEARCH INSTITUTION. ALTHOUGH COMMERCIAL PRODUCTION OF MINI-COMPUTERS BEGAN IN KOREA THIS YEAR ON A VERY SMALL SCALE, USING IMPORTED COMPONENTS UNDER TECHNICAL AGREEMENTS WITH FOREIGN FIRMS, PROSPECTS REMAIN QUITE GOOD FOR THESE PRODUCTS. THIS CAMPAIGN WILL FOCUS ON ASSISTING AMERICAN EXPORTERS IN INCREASING THEIR AHARE OF THE COMPUTER AND PERIPHERAL MARKET. U.S. PRODUCTS ARE HIGHLY REGARDED AND MANUFACTURERS SHOULD BE IN A GOOD POSITION TO TAKE ADVANTAGE OF THE OPPORTUNITIES OPEN TO THEM.

CAMPAIGN ACTIONS: CUMULATIVE MILESTONES

DEC	MAR	JUN	SEP
31	31	30	30

1. ORGANIZE AND STAGE THREE 1 2 3
 LOCALLY RECRUITED SINGLE
 COMPANY PRODUCT EXHIBITIONS
 AT THE TRADE CENTER TO
 ENCOURAGE SALES OF
 COMPUTERS AND PERIPHERALS.
2. VISIT EIGHT LIKELY 2 4 6 8
 PURCHASERS OF COMPUTERS
 AND PERIPHERALS

3. UPDATE MARKET RESEARCH 1
MATERIAL ON COMPUTERS
AND PERIPHERALS

4. IDENTIFY AND REPORT 10 3 55 8 10
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TRADE OPPORTUNITIES

5. OBTAIN 180 SALES LEADS 45 90 135 180
AS A RESULT OF ALL
PROMOTIONAL EFFORTS

CAMPAIGN NUMBER 6 PRIORITY RANK 10

CAMPAIGN TITLE: MEDICAL AND LABORATORY EQUIPMENT AND
INSTRUMENTATION

CAMPAIGN MANAGER: JOHN M. GREGORY

OBJECTIVES AND RATIONALE: KOREA'S CONSUMPTION OF MEDICAL
EQUIPMENT IS EXPECTED TO MAKE THAN DOUBLE FROM ITS 1975
LEVEL OF \$5.8 MILLION TO \$13.8 MILLION BY 1980. DOMESTIC
EQUIPMENT WILL MEET SOME 20 PER CENT OF THE TOTAL REQUIREMENTS,
WITH THE REMAINING 80 PER CENT, PRIMARILY ADVANCED EQUIPMENT,
SUPPLIED FROM ABROAD. KOREA HAS ESTABLISHED SOME AMBITIOUS
PLANS FOR THE EXPANSION AND MODERNIZATION OF HEALTH CARE
FACILITIE AND SERVICES. THE FOURTH FIVE-YEAR ECONOMIC
DEVELOPMENT PLAN WILL MAKE AVAILABLE \$358,162,000 FOR THE
PUBLIC HEALTH SECTOR, DURING THE COMING FIVE YEARS, TO
INCREASE SHARPLY THE LEVEL AND QUALITY OF AVAILABLE MEDICAL
CARE, AND THE NUMBER OF TRAINED MEDICAL PERSONNEL. THE NATIONWIDE
HOSPITAL UTILIZATION RATIO WILL BE INCREASED FROM 31.3 PER CENT
IN 1976, TO 50 PER CENT, AND THE CITY/PROVINCIAL HOSPITAL BED
OCCUPANCY RATIO FROM 40 PER CENT TO 80 PER CENT. THE RATIO
OF URGAN CONCENTRATION OF DOCTORS, MEANWHILE, WILL BE
LOWERED FROM 87 PER CENT TO 78 PER CENT. A TOTAL OF 13,305
MILLION WON(OR APPROXIMATELY \$27.4 MILLION) HAS BEEN EARMARKED
UNDER THE FOURTH FIVE-YEAR ECONOMIC DEVELOPMENT PLAN (1977-1981),
FOR THE IMPLEMENTATION OF THE NATIONAL PENSION PROGRAM AND
MEDICAL INSURANCE SCHEME. A NEW MEDICAL WELFARE SYSTEM FOR
NEEDY PERSONS WAS INITIATED IN JANUARY 1977 AND THE LONG-POSTPONED
MEDICAL INSURANCE SYSTEM FOR WORKERS STARTED ON JULY 1, 1977.

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THIS INSURANCE SYSTEM IS COMPULSORY FOR COMPANIES WITH 500 OR MORE EMPLOYEES, AS WELL AS FOR THOSE LOCATED IN INDUSTRIAL ESTATES. IT WILL BE EXPANDED NEXT YEAR TO COVER GOVERNMENT OFFICIALS, THE MILITARY, AND PRIVATE SCHOOL TEACHERS, AND BY 1981 AIMS TO ENCOMPASS ALL COMPANIES HAVING 200 OR MORE WORKERS, AND MORE THAN 88,000 HOUSEHOLDS ENGAGED IN INDEPENDENT BUSINESSES.

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THE INTRODUCTION OF THESE NEW SYSTEMS WILL PROVIDE A WELCOME STIMULUS TO THE CURRENTLY STAGNANT MEDICAL EQUIPMENT MARKET, AND SHOULD CREATE NEW OPPORTUNITIES FOR QUALITY U.S. PRODUCTS.

CAMPAIGN ACTIONS CUMULATIVE MILESTONE

	DEC	MAR	JUN	SEP
	31	31	30	30

1. PLAN, RECRUIT AND STAGE 2 3 5 6
6 BSP'S AT THE EMBASSY'S
TRADE CENTER

2. MAKE 10 CALLS ON NATIONAL 2 5 8 10
AND PROVINCIAL PUBLIC
HEALTH AUTHORITIES AND
THE ADMINISTRATORS OF
MAJOR HOSPITALS IN SEOUL.

3. OBTAIN AND REPORT 10 3 6 9 10
TRADE OPPORTUNITIES

CAMPAIGN NUMBER 7 PRIORITY RANK 11

CAMPAIGN TITLE: ELECTRONIC INDUSTRY PRODUCTION AND TEST

EQUIPMENT
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CAMPAIGN MANAGER: GEORGE A. KACHMAR

OBJECTIVE AND RATIONALE: RAPID GROWTH IN ELECTRONICS PRODUCTION BEGAN IN 1967 AND CONTINUED THROUGH 1976 AT AN AVERAGE ANNUAL RATE OF 54 PERCENT; IN 1976 IT GREW BY 65 PERCENT. A SUPPORT PROGRAM HAS BEEN DRAWN UP BY THE GOVERNMENT TO ATTAIN THE GOAL OF INCREASING PRODUCTION TO \$4.8 BILLION AND EXPORTS TO \$2.5 BILLION A YEAR BY 1981. THROUGH 1978, THE INDUSTRY WILL CONCENTRATE ON EXPANDING PRODUCTION OF ESSENTIAL ELECTRONIC PARTS AND INDUSTRIAL EQUIPMENT, SUCH AS SEMI-CONDUCTORS AND ELECTRONIC SWITCHBOARDS, WITH PARTICULAR EMPHASIS ON SPECIALIZATION IN SOPHISTICATED PRODUCTS. TO FURTHER FACILITATE THE IMPORT OF ADVANCED TECHNOLOGY FROM ABROAD, THE GOVERNMENT HAS INSTITUTED A SYSTEM OF FINANCIAL SUPPORT TO ELECTRONICS MANUFACTURERS ENTERING INTO ARRANGEMENTS FOR TECHNICAL ASSISTANCE WITH FOREIGN FIRMS, WHILE AT THE SAME TIME ENCOURAGING INVESTMENT FOR DOMESTIC RESEARCH AND DEVELOPMENT. WHILE JAPAN IS THE DOMINANT SUPPLIER, THIS AMBITIOUS PROGRAM OFFERS OPPORTUNITIES FOR U.S. PARTICIPATION IN THE FORM OF DIRECT INVESTMENT, JOINT VENTURES, OR TECHNICAL LICENSING AGREEMENTS. ADDITIONAL OPPORTUNITIES ARE SEEN FOR SALES OF U.S. MADE ELECTRONICS PRODUCTION EQUIPMENT, PARTICULARLY TEST EQUIPMENT, AS WELL AS A SOMEWHAT MORE LIMITED MARKET FOR ADVANCED ELECTRONIC COMPONENTS AND MATERIALS. EMERGING LOCAL PRODUCTION OF COMPUTERS OFFERS NEW OPPORTUNITIES FOR U.S. SUPPLIERS OF COMPONENTS AND MANUFACTURING KNOW-HOW, OUR CAMPAIGN EFFORTS SHOULD EMPHASIZE THE LEADING ROLE OF U.S. TECHNOLOGY IN THE ELECTRONICS FIELD TO CAPITALIZE ON ROKG OBJECTIONS TO THE "OLD" TECHNOLOGY PREVALENT IN JAPANESE JOINT-VENTURES AND LICENSES.

CAMPAIGN ACTIONS CUMULATIVE MILESTONES
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31 31 30 30

1. PLAN, RECRUIT, AND STAGE E 6 8
8 BSP'S AT THE SEOUL TRADE
CENTER OF OTHER APPROPRIATE
SITE.

2. PLAN, PREPARE, AND STAFF A 1
BUSINESS INFORMATION BOOTH
AT THE 1979 KOREA ELECTRONICS
SHOW.
3. MAKE 20 INDUSTRY CALLS TO 9 12 18 20
PROMOTE U.S. SALES.
4. OBTAIN 100 SALES LEADS 50 75 90 100
FOR U.S. COMPANIES.
5. OBTAIN AND REPORT 10 3 6 8 10
TRADE OPPORTUNITIES.

3. SECTION IV - OTHER SPECIAL POST EFFORTS:

ACTIVITY NO. 1 TRADE CENTER EVENT SUPPORT PRIORITY 2

DESCRIPTION/JUSTIFICATION

THE STATE DEPARTMENT-FUNDED TRADE CENTER IN THE CHANCERY PROVIDES A LOW COST AND HIGHLY EFFECTIVE MEANS OF SUPPORTING BOTH CCP CAMPAIGNS AND OTHER TRADE PROMOTION ACTIVITIES THROUGH PRODUCT EXHIBITIONS, PRODUCT MARKETING SERVICES, TECHNICAL SEMINARS, CATALOG SHOWS AND PROVISION OF A BUSINESS CENTER FOR TRADE MISSIONS OF ALL TYPES. IN SUPPORT OF BOTH CAMPAIGN THEMES AND THE OVERALL INTERESTS OF U.S. EXPORTERS
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THE TRADE CENTER PLANS TO BE EVEN MORE BUSILY ENGAGED IN ITS WIDE RANGE OF ESTABLISHED ACTIVITIES THAN IN FORMER YEARS, OWING TO THE INCREASING INTEREST IN THE TRADE CENTER OF BOTH LOCALLY BASED REPRESENTATIVES OF U.S. FIRMS AND OTHERS BASED IN NEIGHBORING COUNTRIES. WE WISH TO INTRODUCE NEW-TO-MARKET PRODUCTS TO KOREA, THROUGH THE TRADE CENTER.

ACTIONS TO BE TAKEN

1. IN ADDITION TO THE SINGLE COMPANY AND MULTI-COMPANY BSPS PLANNED IN SUPPORT OF CCP CAMPAIGNS WE WILL RECRUIT LOCALLY AT LEAST 30 BSPS IN PROMOTING U.S. PRODUCTS IN OTHER AREAS. AS MANY AS POSSIBLE OF THESE BSP'S WILL BE FOR NEW-TO-MARKET FIRMS WHICH HAVE EITHER INSUFFICIENT TECHNICAL OR FINANCIAL RESOURCES TO PROMOTE THEIR PRODUCT LINES THROUGH PROMOTIONAL EVENTS CONDUCTED OUTSIDE THE TRADE CENTER.
2. IN RESPONSE TO THE HIGHLY FAVORABLE REACTION OF U.S. EXPORTERS AND IN COOPERATION WITH NEIGHBORING POSTS, USDOC FIELD OFFICES, AND THE DIRECT INQUIRIES OF U.S. BUSINESSMEN THE

TRADE CENTER PLANS TO CONTINUE ITS REFFIND AND PRODUCT MARKETING SERVICES USING THE PHYSICAL FACILITIES OF THE TRADE CENTER AND EXPERIENCED CONTRACT PERSONNEL. THE TRADE CENTER PLANS AT LEAST 25 SUCH ACTIONS IN FY 1978.

3. PROVIDE EFFICIENT AND LOW COST SUPPORT FOR COMMERCE PROMOTIONAL PROGRAMS AND EVENTS.

4. PROVIDE GENERAL FACILITATIVE SUPPORT OF U.S. COMMERCIAL INTERESTS THROUGH USE OF TRADE CENTER FOR SALES MEETINGS, RECEPTIONS, AND OTHER SIMILAR EVENTS.

5. SUPPORT THE OCTOBER 1978 PLYWOOD AND WOODWORKING EQUIPMENT UNCLASSIFIED

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TRADE MISSION; THE HOSPITAL AND MEDICAL EQUIPMENT MISSION/ SEMINAR; AND THE COMMERCIAL FISHING AND POLLUTION CONTROL EQUIPMENT CATALOG SHOWS SCHEDULED FOR FEBRUARY AND SEPTEMBER 1979.

ACTIVITY NO. 2 MAJOR PROJECTS PRIORITY 3

DESCRIPTION/JUSTIFICATION

SHOULD PRESENT PROJECTIONS OF KOREAN OVERALL ECONOMIC AND TRADE EXPANSION IN 1978 MATERIALIZE, PRECEDENT STRONGLY SUGGESTS THAT SOME OF THE MAJOR DEVELOPMENTAL PROJECTS SCHEDULED FOR THE THIRD YEAR OF THE AMBITIOUS CURRENT FOURTH FIVE-YEAR DEVELOPMENT PLAN (1977-1981) WILL BE ACCELERATED AND THAT THE PLAN WILL BE REVISED TO INCLUDE ADDITIONAL PROGRAMS.

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ACTION COME-00

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IN ADDITION TO THE MAJOR PROJECTS IN POWER DEVELOPMENT COVERED IN CAMPAIGN NUMBER 3, IMPORTANT MAJOR PROJECTS ARE CONTAINED IN THE EXPANSION PLANS OF THE TELECOMMUNICATIONS, AGRICULTURE AND CONSTRUCTION MINISTRIES AND THOSE OF SUCH OTHER ROKG ORGANIZATIONS AS THE KOREAN NATIONAL RAILROAD, THE OFFICE OF MARITIME AND PORT AUTHORITY, THE AGRICULTURAL DEVELOPMENT AGENCY, AND THE SEOUL METROPOLITAN GOVERNMENT. ON THE PRIVATE SECTOR INDUSTRIAL SIDE, SUCCESSFUL ECONOMIC EXPANSION WILL ACCELERATE THE EXECUTION OF MAJOR INDUSTRIAL DEVELOPMENT PLANS; PARTICULAR OPPORTUNITIES FOR U.S. SUPPLIERS EXIST IN HIGH-TECHNOLOGY INDUSTRIES SUCH AS THOSE IN THE ELECTRONICS, MACHINE TOOL AND HEAVY MACHINERY SECTORS, AND MORE SPECIFICALLY IN THE PLANTS WHICH ARE TO BE BUILT IN THE VARIOUS SPECIAL INDUSTRIAL ESTATES SUCH AS THOSE AT CHANGWON (MACHINERY), GUMI (ELECTRONICS) AND ULSAN (PETRO-CHEMICALS). UNUSUAL OPPORTUNITIES FOR U.S. DESIGN ENGINEERS AND EXPORTERS CONTINUE TO ARISE FROM THE KOREAN OVERSEAS CONSTRUCTION BOOM. PRESENT KOREAN PLANNING, COUPLED WITH THE WORLD'S HIGHEST GROWTH RATES, PRESENTS ENORMOUS OPPORTUNITIES TO AMERICAN ENGINEERING, TECHNOLOGY AND EQUIPMENT EXPORTERS, INVESTORS, AND FINANCIERS, IF THEY ARE PROPERLY ALERTED AS SOON AS PRELIMINARY IMPLEMENTATION DECISIONS ARE TAKEN BY KOREAN GOVERNMENT AND INDUSTRIAL DECISION MARKERS.

ACTIONS TO BE TAKEN (EXCLUSIVE OF THOSE IN CAMPAIGNS)

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1. CONSTANT MONITORING OF THE PRELIMINARY PLANNING CONTAINED IN THE 4TH FIVE-YEAR PLAN AND OF EACH INDIVIDUAL SECTOR WITHIN IT THROUGH SYSTEMATIC SCRUTINY OF THE RESULTS OF GOVERNMENT AND INDUSTRIAL COMMITTEE MEETINGS, WHILE CULTIVATING AND EXPANDING THE INFORMATIONAL RESOURCES OF THE EMBASSY AND ITS ACCESS TO PLANNING ORGANIZATIONS.
2. PROVIDE REGULAR INFORMATION AND ASSISTANCE TO THE EX-IM BANK AND OPIC TO MAXIMIZE THE EFFECTIVENESS OF THEIR PROGRAMS IN FINANCIAL SUPPORT OF U.S. SUPPLIERS TO MAJOR PROJECTS IN KOREA.
3. TRY TO ASSURE THAT EVERY U.S. MAJOR PROJECT BUSINESS VISITOR TO KOREA CALLS AT THE EMBASSY FOR COMPREHENSIVE BRIEFING ON DEVELOPMENTS IN HIS FIELD OF INTEREST, FOR INTRODUCTION TO RESPONSIBLE ROKG OFFICIALS, AND FOR ADVICE ON SPECIAL CULTURAL, LEGAL OR PRACTICAL CONSIDERATIONS WHICH MAY BEAR ON A PROSPECTIVE CONTRACT. SINCE IMPLEMENTATION SCHEDULES FOR MAJOR PROJECTS OR PRODUCT PURCHASES ARE FREQUENTLY IMPRECISE, IT IS SELDOM POSSIBLE TO PREDICT ACCURATELY THE WORKLOAD

REQUIREMENTS FOR THIS PROGRAM. HOWEVER, SINCE THESE PROJECTS OFFER SUBSTANTIAL EXPORT OPPORTUNITIES, ADEQUATE TIME AND RESOURCES SHOULD BE SET ASIDE FOR REPORTING AND OTHER ACTIVITIES IN THIS AREA TO ENSURE ADEQUATE COVERAGE.

4. ESTABLISH AND CULTIVATE CONTACTS WITH PERSONS AND OFFICES RESPONSIBLE FOR ECONOMIC AND INDUSTRIAL DEVELOPMENT PROGRAMS AND SPECIFIC PROJECTS. UTILIZE THESE CONTACTS TO OBTAIN INFORMATION AT THE EARLIEST STAGES OF PROJECT CONCEPTUALIZATION AND PLANNING AND THROUGHOUT STUDY, BIDDING AND CONTRACTING PHASES. SPECIFICALLY, THE POST WILL SEEK TO DEVELOP ACCESS TO INFORMATION WON:

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- (A) OPPORTUNITIES FOR CONSULTING/ENGINEERING/CONSTRUCTION FIRMS AND EQUIPMENT SUPPLIERS
- (B) PLANS INVOLVING PREINVESTMENT OR FEASIBILITY STUDIES
- (C) PREQUALIFICATION AND BIDDING PROCEDURES AND TIMETABLES
- (D) FINANCING REQUIREMENTS
- (E) INVESTMENT REQUIREMENTS
- (F) TENDERS
- (G) REQUIREMENTS FOR LOCAL INCORPORATION OR JOINT VENTURE
- (H) PROGRESS ON COMPANY BIDS AND CONTRACT NEGOTIATIONS
- (I) U.S. AND FOREIGN COMPANY INVOLVEMENT
- (J) COMPETITIVE FACTORS

ACTIVITY NUMBER 3 MARKET RESEARCH PRIORITY 5

DESCRIPTION/JUSTIFICATION

EFFECTIVE SUPPORT OF THE VARIOUS CCP CAMPAIGNS REQUIRES THE FORMULATION OF A COMPREHENSIVE LOCAL MARKET RESEARCH CAPABILITY IN NEW PRODUCT AREAS AS WELL AS AN UPDATING OF FORMER RESEARCH TO REFLECT CURRENT CONDITIONS. THE ANTICIPATED COMPLETION OF THE KOREA SECTORAL STUDY SHOULD GREATLY ASSIST IN THE DEVELOPMENT OF THE REQUIRED RESEARCH CAPABILITY. WE WILL ASSIST IN CONDUCTING BIDS FOR SURVEYS TO BE DETERMINED BY COMMERCE AND SUPERVISE THE CONTRACTING WORK. THE STATED POLICY OF THE ROKG TO LIBERALIZE IMPORTS COULD CREATE MANY OPPORTUNITIES FOR ADDITIONAL EXPORTS OF U.S. PRODUCTS. AS THAT POLICY BEGINS TO TAKE SHAPE, NEW AREAS FOR MARKET RESEARCH SHOULD BECOME APPARENT.

ACTIONS TO BE TAKEN

1. CONTRACT FOR GLOBAL MARKET RESEARCH STUDIES IN PRODUCT AREAS TO BE DETERMINED BY USDOC.
2. PREPARE DESK RESEARCH STUDIES ON POLLUTION CONTROL EQUIPMENT

AND OTHER SECTORS TO BE DETERMINED BY COMMERCE IN SUPPORT OF THE
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VARIOUS CAMPAIGNS AND OTHER PROMOTIONAL ACTIVITIES.

3. UPDATE THE LIST OF KEY EMBASSY WORKING-LEVEL CONTACTS
WHICH CAN SERVE AS PRIME SOURCES OF INFORMATION.

4. CONTRACT WITH INDIVIDUALS AND FIRMS CAPABLE OF PROVIDING
THE NECESSARY DATA FOR COMPREHENSIVE RESEARCH.

ACTIVITY NO. 4 FACILITATE U.S. INVESTMENT PRIORITY 14

DESCRIPTION/JUSTIFICATION

THE MISSION WILL UNDERTAKE TO PREPARE A DESCRIPTIVE STATEMENT
OF KOREA'S INVESTMENT CLIMATE AND OUTLOOK. THE OBJECTIVE IS
TO PROVIDE A SUCCINCT, READILY AVAILABLE UNCLASSIFIED REFERENCE
FOR USE BY THE POST AND WASHINGTON AGENCIES IN DISCUSSIONS WITH
U.S. BUSINESSMEN, THE BRIEFING OF U.S. OFFICIALS, AND FOR
U.S. REPRESENTATIVES IN THEIR PARTICIPATION IN INTER-AGENCY
COMMITTEES AND INTERNATIONAL FORA DEALING WITH, FOR EXAMPLE,
TARIFF PREFERENCES UNDER GSP, EXPORT FINANCING, DEVELOPMENT
LOANS AND OTHER ASSOCIATED ISSUES.

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TO SECSTATE WASHDC 9923

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ACTIONS TO BE TAKEN

1. THE INVESTMENT CLIMATE STATEMENT, NOT TO EXCEED FOUR

PAGES, WILL BE SUBMITTED BY THE END OF JANUARY AN ACCORDANCE
WITH A CABLE INSTRUCTION TO BE RECEIVED BY THE POST AT THE
OUTSET OF FY-1979.

ACTIVITY NUMBER 5 TRADE OPPORTUNITY REPORTING PRIORITY 12

DESCRIPTION/JUSTIFICATION

IN THE EXPANDING KOREAN ECONOMY AND WITH THE ONSET OF IMPORT
LIBERALIZATION, TRADE OPPORTUNITY REPORTING WILL ASSUME
AN EVEN LARGER ROLE THAN IT HAS IN THE PAST. IT IS STATED
ROK POLICY TO ENCOURAGE THE IMPORTATION OF AMERICAN TECHNOLOGY
AND THE TRADE OPPORTUNITIES PROGRAM SHOULD PROVE A VALUABLE
VEHICLE FOR INCREASING U.S. EXPORTS.

ACTIONS TO BE TAKEN

1. INCREASE KOREAN BUSINESS COMMUNITY AWARENESS OF THE TO
PROGRAM THROUGH PERSONAL VISITS, DIRECT MAILINGS, AND THE
COMMERCIAL NEWSLETTER.
2. ALERT ALL OFFICERS AND STAFF TO THE INCREASED LIKELIHOOD
OF TRADE OPPORTUNITIES AND ENCOURAGE THEM TO REPORT SAME
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OBTAINED DURING BUSINESS AND SOCIAL FUNCTIONS.

3. WITH THE CONCURRENCE OF USIS, SUPPLY THE BRANCH POSTS AT
PUSAN, TAEGU, AND KWANGJU WITH TOP BROCHURES, QUESTIONNAIRES,
AND CURRENT COMMERCIAL REFERENCE MATERIALS AND ENCOURAGE
THOSE POSTS TO MAKE TRADE OPPORTUNITY MATERIALS AVAILABLE
TO INTERESTED CONTACTS. THE BRANCH PUBLIC AFFAIRS OFFICERS
WOULD FUNCTION AS CONDUITS, REFERRING SPECIFIC REQUESTS
FOR COMMERCIAL INFORMATION TO THE EMBASSY IN SEOUL.

ACTIVITY PUMBER 6 IMPROVE COMMERCIAL LIBRARY PRIORITY 13
SERVICES IN SEOUL AND PUSAN

DESCRIPTION/JUSTIFICATION

THE COMMERCIAL LIBRARY IN SEOUL AND THE COMMERCIAL SECTION
OF THE USIS LIBRARY IN PUSAN ARE BOTH HEAVILY USED. WITH THE
ONSET OF IMPORT LIBERALIZATION, THE FACILITIES ARE LIKELY
TO BECOME STRAINED IN THEIR SERVICE TO PATRONS. THERE CONTINUES
TO BE CONSIDERABLE INTEREST IN THE EASILY ACCESSIBLE REFERENCE
AND TRADE PUBLICATIONS. WE SHOULD PHYSICALLY AND OPERATIONALLY
IMPROVE COMMERCIAL LIBRARY SERVICES TO MEET THE GROWING NEEDS
OF THE KOREAN COMMERCIAL COMMUNITIES IN SEOUL AND PUSAN.
CONSCIOUS EFFORTS SHOULD ALSO BE MADE TO ESTABLISH A COMMERCIAL
LITERATURE SECTION IN AND PROCURE ADDITIONAL PUBLICATIONS

FOR THE USIS CENTERS IN TAEGU AND KWANGJU.

ACTIONS TO BE TAKEN

1. REVIEW THE COMMERCIAL LIBRARY SERVICES IN SEOUL WITH A VIEW TO FORMULATING A CONCRETE PLAN FOR EXPANDING AND IMPROVING THE PHYSICAL LAYOUT OF THE LIBRARY.

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2. IMPROVE KOREAN BUSINESS COMMUNITY KNOWLEDGE OF THE COMMERCIAL LIBRARY THROUGH VISITS, DIRECT MAILINGS, AND THE COMMERCIAL NEWSLETTER.

3. REVISE EXISTING SUBSCRIPTION LISTS TO MEET NEEDS OF CAMPAIGN PROMOTIONS.

4. ENCOURAGE THE DISPLAY AND PROMOTION OF COMMERCIAL PUBLICATIONS BY ALL USIS BRANCH LIBRARIES.

5. COLICIT DONATIONS OF COMMERCIAL REFERENCE MATERIALS FROM U.S. ASSOCIATIONS AND ORGANIZATIONS.

6. REVIEW AND EVALUATE POST IMPLEMENTATION OF DEPARTMENT OF STATE LIBRARY OPERATIONS MANUAL.

7. EXPAND THE PERMANENT LIBRARY OF VTR CASSETTES, TO BE OBTAINED FROM USDOC AND USIS (VTR PLAYER AND MONITOR TO BE PURCHASED IN FY-1978).

ACTIVITY NO. 7 ENCOURAGE EASING OF KOREAN PRIORITY 8
IMPORT BARRIERS

DESCRIPTION/JUSTIFICATION

AS THE KOREAN BALANCE OF PAYMENTS POSITION IMPROVES THROUGH THE STRONG INCREASE IN EXPORTS, KOREAN ABILITY TO LIBERALIZE TARIFF AND OTHER IMPORT BARRIERS WILL ALSO INCREASE. WE SHOULD LOSE NO OPPORTUNITY TO HELP INFLUENCE ROKG POLICY TOWARD THE DEVELOPMENT OF A WELL-ORDERED IMPORT POLICY WHICH PROVIDES FOR BALANCED TRADE BETWEEN THE UNITED STATES AND KOREA AND IN WHICH U.S. GOODS CAN COMPETE IN AN INCREASINGLY WIDE NUMBER OF SECTORS. THIS ACTION IS PARTICULARLY APPROPRIATE BECAUSE OF KOREA'S PARTICIPATION IN THE MTN FOR WHICH THE DEPARTMENT OF COMMERCE SUPPLIES SUBSTANTIAL INFORMATION TO OUR NEGOTIATORS.

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ACTIONS TO BE TAKEN

1. EMPHASIZE IN CONVERSATIONS WITH ROKG OFFICIALS THE IMPORTANCE WHICH THE UNITED STATES PLACES ON LIBERALIZATION OF TARIFF BARRIERS AND OTHER TRADE RESTRICTIONS AS SUCH BECOME POSSIBLE WITH THE STRENGTHENED FINANCIAL POSITION OF KOREA.
2. ADVANCE THE SPECIFIC INTERESTS OF U.S. EXPORT SECTORS IN THE KOREAN MARKET AS APPROPRIATE.
3. REPORT PROMPTLY ALL CHANGES IN HOST COUNTRY TARIFF SCHEDULES OR NON-TARIFF BARRIERS.
4. ANALYZE THE HOST COUNTRY'S TRADE REGIME WITH A VIEW TO IDENTIFYING, IF POSSIBLE, THOSE TARIFFS OR NON-TARIFF RESTRICTIONS WHICH HAVE THE MOST INFLUENCE IN DISTORTING U.S. EXPORTS TO THE HOST COUNTRY FROM WHAT THEY LIKELY WOULD BE IN THE ABSENCE OF THESE RESTRAINTS.

ACTIVITY NO. 8 IMPROVE LIAISON WITH KOREAN PRIORITY 15
BUSINESS COMMUNITY

DESCRIPTION/JUSTIFICATION

THE MANY KOREAN BUSINESS ORGANIZATIONS AND THEIR HARD-WORKING STAFFS PROVIDE A VALUABLE MEANS OF PROMOTING AND MAKING MOST EFFECTIVE THE EXPORT PROMOTION CAMPAIGNS AND SPECIFIC EVENTS WHICH THE POST WILL STAGE THROUGHOUT THE YEAR. AS THE KOREAN BUSINESS SECTOR EXPANDS, A CONTINUING EFFORT SHOULD BE MADE TO IMPROVE OLD CONTACTS AND ESTABLISH NEW ONES.

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TO SECSTATE WASHDC 9924

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ACTIONS TO BE TAKEN

1. INITIATE A NEW SERIES OF PERSONAL CALLS ON THE MAJOR BUSINESS ORGANIZATIONS, BOTH IN SEOUL AND ELSEWHERE IN SIGNIFICANT INDUSTRIAL AND TRADING CENTERS.
2. PROMOTE AND ORGANIZE BRIEFINGS AND SEMINARS BY KOREAN BUSINESS ORGANIZATIONS FOR VISITING U.S. BUSINESSMEN IN ORDER TO DEVELOP CLOSER TIES.
3. PARTICIPATE MORE ACTIVELY IN THE PROGRAMS AND COMMITTEES OF THE AMERICAN CHAMBER OF COMMERCE IN SEOUL AS A MEANS OF IMPROVING RELATIONSHIPS WITH KOREAN BUSINESS GROUPS.
4. SECTIPON V - PERSONNEL RESOURCES ALLOCATION (IN WORKDAYS)

CONCEPT

A. BY INDIVIDUAL ACTIVITY

PROJECTIONS

	FSO/R	FSL/P	CLER.	TOTAL
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1. TRADE PROMOTION

EVENT SUPPORT	55	150	225	40	415
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2. MKT. RESEARCH

A. CONTRACT	4	57	55	20	132
B. POST-CONDUCTED	3	34	80	25	139

3. MAJOR PROJECTS/

PRODUCTS	120	201	42	363
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4. FOREIGN BUYER

PROGRAM	11	12	20	35	67
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5. TRADE OPPORTUNI-

TIES PROGRAM	160	58	75	40	173
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6. W.T.D.R. PROGRAM	250	49	156	60	265
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7. AGENT/DISTRUBUTOR

SERVICE	35	11	50	10	71
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8. FT INDEX	500	2	15	0	17
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9. INVESTMENT PROTECTION/

FACILITATION	118	60	40	218
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10. TRAVEL PROMOTION	9	5		14
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11. SCHEDULED CERP REPORTING	21	90	305	110	505
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12. COMMERCIAL NEWSLETTER	6	18	25	8	51
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13. BUSINESS SERVICES	186	173	232	591
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14. OTHER REPORTING/ NEGOTIATION/ REPRESENTATION	475	255	150	880
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15. MANAGEMENT	330	10	15	355
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16. OTHER E/C ACTIVITIES	229	270	273	772
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17. NON/E/C ACTIVITIES	32	0	0	32
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TOTAL REQUIRED	1,980	1,980	1,100	5,060
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TOTAL AVAILABLE	1,980	1,980	1,100	1,060
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(220 DAYS PER PERSON)

B. BY CAMPAIGNS

1. METALWORKING AND FINISHING EQUIPMENT	70	110	50	230
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2. CONSTRUCTION AND MATERIALS HANDLING EQUIPMENT	35	50	25	110
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3. ENERGY SYSTEMS	35	50	15	100
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4. PROCESS CONTROL EQUIPMENT AND INSTRUMENTATION	20	25	10	55
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5. COMPUTERS AND PERIPHERAL EQUIPMENT	20	25	10	55
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6. MEDICAL AND LABORATORY				
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EQUIPMENT AND INSTRUMENTATION	15	15	10	40
TOTAL	195	280	125	600

C. BY OTHER SPECIAL POST EFFORTS

1. TRADE CENTER EVENT SUPPORT	130	195	30	355
2. MAJOR PROJECTS	120	201	42	363
3. MARKET RESEARCH	91	135	45	271
4. FACILITATE U.S. INVESTMENT	118	60	40	218
5. TRADE OPPORTUNITY REPORTING	10	5	5	20
6. IMPROVE COMMERCIAL LIBRARY SERVICES IN SEOUL AND PUSAN	35	40	5	80
7. ENCOURAGE LOWERING OF KOREAN TRADE BARRIERS	20	10	5	35
8. IMPROVE LIASON WITH KOREAN AND AMERICAN BUSINESS COMMUNITIES	10	5	0	15
TOTAL	534	651	172	1,357

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NOTE: CATEGORY A DEPICTS ALLOCATIONS OF TOTAL PERSONNEL RESOURCES. THUS, CATEGORIES "A", "B", AND "C" ARE NON-ADDITIVE.

5. SECTION VI, FINANCIAL RESOURCES SCHEDULE

POST PLANS TENTATIVELY TO USE THE SAME LEVEL OF RESOURCES AS IN FY-1978. SHOULD LEVEL OF FUNDS AVAILABLE FOR CCP AND OTHER E/C ACTIVITIES CHANGE SIGNIFICANTLY WHEN POST'S FY-1979

BUDGET IS KNOWN WE WILL SUBMIT A REVISED ESTIMATE.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 18 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
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Review Release Date: N/A
Review Release Event: n/a
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SAS ID: 3282998
Secure: OPEN
Status: NATIVE
Subject: FY 1979 COUNTRY COMMERCIAL PROGRAM; DETAILED PROPOSALS FOR KOREA
TAGS: BEXP, KS
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/22a07cc4-c288-dd11-92da-001cc4696bcc
Review Markings:
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20 Mar 2014
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